

## 1266 United Utilities – Customer Priorities - Discussion Guide V7

September 2021	<p><b>Overall Objective – Understand how and why customer priorities might have changed since 2016 and if they have new priorities in the context of Covid 19.</b></p> <p>This qualitative work will provide in-depth insights into customer priorities, and help to establish whether the priorities need refinement ahead of the quantitative survey.</p>
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The sample will consist of 28 United Utilities customers, who will be split up into the following breakout groups:

1. Domestic customers
2. Hard to reach domestic customers (vulnerable customers, those for whom English is a second language, & low-income customers)
3. Future domestic customers
4. SME customers

AREA OF DISCUSSION	TIME ALLOCATION
1. Moderator introduction	5 minutes
2. United Utilities introduction	5 minutes
3. First breakout session	30 minutes
4. Comfort break	5 minutes
5. Second breakout session	60 minutes
6. Comfort break	5 minutes
7. Third breakout session	25 minutes
8. Final thoughts & wrap-up	15 minutes

### GROUP STRUCTURE (2½ HOURS):

#### Moderator Introduction (5 minutes):

- Introduce yourself
- Explain that the research is being conducted on behalf of United Utilities, your water supplier, operating in North-West England.
- Explain purpose of discussion (Understand how and why customer priorities might have changed since they were last evaluated in 2016 and if they have new priorities in the context of Covid-19)
- Confidentiality is guaranteed, no right/wrong answers, interested in everybody's opinions, in as much detail as possible.
- Explain moderator's role and set out 'rules' (speak loudly / clearly / not all together)
- Explain audio and video recording, and members of the Impact and United Utilities teams observing (name individuals).
- Any questions?

## United Utilities introduction (5 minutes):

- Member of UU team to explain role of UU with regards to water supply, give introduction to the research, why it's being done, and explain what it will be used for **STIM A1-2**

## First breakout session (30 mins)

Respondents will be split into four pre-defined groups, one led by lead moderator and the other three by other members of the Impact team.

- Each respondent will be asked to introduce themselves to the group

Moderator to walk through the current water sector **STIM B**

## **Water Usage and Previous Experience:**

- How does everyone use water now?
  - What do you use water for?
    - **QUIZ QUESTION:** How much of all the clean, drinkable water in the home do you think is used to flush the toilets on an average day? **Answer:** 7.5 litres of water; a third of all the clean, drinkable water used in the home is used to flush the toilets.
      - Surprised by answer?
  - What appliances that use water do you have in your home?
    - **QUIZ QUESTION:** Which common household kitchen appliance uses more water on an average load – a washing machine or a dishwasher? **Answer:** Washing machine (56 litres) / dishwasher (25 litres)
      - Surprised by answer?
  - Do you monitor your water usage at all?
    - Do you try to save water? If so, how
  - Do you give much thought to where the water in your home/premises comes from?
  - And do you give much thought to where the water in your home/premises goes when once it has been used?
  - Are you mindful of what washes down the sink, flushes down the toilet, other wastewater from the home/premises?
- Has Covid-19 had any impact on your water usage?
  - Have you been using more, the same, or less water?
  - If metered customer, have your water bills changed?
    - Have they gone up or down?
- Have you had any previous experience of water or wastewater issues?
  - **Probe on:** Leaks, interruption of water supply, water discolouration, bad smells, blockage, flooding at your property, or on public highway (public sewers)
    - Any other issues?
    - What did they do when you experienced these? Contact United Utilities?
    - How long affected?
    - Affected many times?

- Do you get water services and wastewater (sewerage) services from two different suppliers?
  - If yes, who are the suppliers?
- Do you have a water meter installed at home [DOM]/work [SME]
  - Do you submit meter readings for the property?
- Do you have a septic tank?

## Awareness/ Knowledge of United Utilities:

- Awareness/knowledge of United Utilities
  - Had you heard of United Utilities before today?
    - What have you heard about UU?
  - Have you ever contacted/been contacted by United Utilities?
    - If so, when and why?
  - Perceptions of United Utilities?
  - **QUIZ QUESTION:** What do you think the average annual United Utilities **domestic groups:** household/ **SME group:** SME water and wastewater bill is?
    - **DOMESTIC ANSWER:** the average metered bill is £395 and the average unmeasured bill is £506.
    - **SME ANSWER:**
      - Surprised by answer?
  - Now that you've heard a little about United Utilities, has anything you've been told a surprise to you? What?
  - Are United Utilities responsibilities what you expected them to be? **Moderator: for this we are focusing on water and waste water services (i.e. supply)**
    - Are United Utilities responsible for the services you would expect them to be?
    - Is there anything else you thought United Utilities would be responsible for?
- Where do you think United Utilities should be prioritising future investment?
  - what is most important to be investing in
  - what is less important?
  
  - Are you aware of United Utilities' responsibilities relating to the environment?
  - Are you aware of any initiatives United Utilities is doing to help protect and conserve the environment?
    - (Including the responsibility to protect land for water supply and quality purposes)
    - What are these?
  - Are you aware that United Utilities' own a lot of recreation land that customers can visit?
    - **QUIZ QUESTION:** How many do you think they own? **ANSWER:** over 80 sites)
      - Surprised by answer?

Whose responsibility is it to conserve water, prevent pollution? Businesses, landowners (e.g. farms), United Utilities, the population at large?

## First comfort break (5 minutes)

## Second breakout session (60 minutes)

## United Utilities' Priorities:

United Utilities have a list of priorities they think could be key areas for them to invest in. Some of these are required by law or regulations **STIM C**. These are mandatory levels of investment ([acknowledge that these are important to UU, but that we don't want further discussion on these areas](#)). Instead, we will be focusing on other priorities where the level of investment can be influenced by customer support.

Show **STIM D1-D5** (showing list of priorities)

For each slide:

- First thoughts on this list?
  - Do you understand what they all mean?
- Which priorities do you feel are the most important?
  - Which ones? Why?
- Are there any priorities that you think are less important?
  - Which ones? Why?
    - Should any of these be removed from their list of priorities
    - Are there any where you feel there shouldn't be financial investment behind it?

Reflecting on all priorities shown (except necessary priorities):

- Where do you think United Utilities should be prioritising future investment?
  - what is most important to be investing in?
  - what is less important?
- Is there anything missing off these lists of priorities?
  - If so, what?
- Thinking about everything that's happened in the last 18 months with Covid-19, would you say any of these priorities are now less or more important than they were before?
  - If yes, which ones? Why?
  - If no, why not?
  - Are there any new priorities which have come out of the pandemic?
- I'd now like you to put yourselves in the shoes of some other types of United Utilities customer. Which priorities do you think would be most important for the following three personas?
  - Elderly couple, retired, with large mature garden
  - Single mother, living alone with two children pre-school children
  - Middle aged parents with teenage children
  - Young couple with no children
    - How do you think each persona might differ in the way they might prioritise these considerations and why?
    - **Probe on priorities linked to landholdings, service, affordability, environment protection, water and wastewater service**

United Utilities previously ran research in 2016 looking into how customers would rank these priorities (an early simplified version), including both mandatory priorities and optional ones, but are interested in what people think of them now.

Show **STIM E** (showing ranking from 2016)

- Any surprises?
  - Are the priorities listed as the most important a surprise to you? In what way?
- Are the top or most important priorities in line with your expectations?
  - In what way?
- Are they not in line with expectations?
  - In what way?
  - What would you have expected to see?
- How would you have changed the prioritisation?
  - Why?
    - Does the pandemic play a role in this change?
- What challenges or priorities do you think will become more important in the future, if any?
  - Is there anything not as important now that you think you might think differently in a few years?
  - What about 10 years' time?

### [Second comfort break \(5 minutes\)](#)

### [Third breakout session \(25 minutes\)](#)

- **True or False:** A garden hose can use almost as much water in an hour, as an average family of four uses in a day (**ANSWER:** true)
  - Is that surprising?

SHOW **STIM F**

We are now going to discuss what is known as Temporary Ban on water use (TUBs). This is where water companies have the power under the Water Industry Act 1991 to restrict water usage. This only happens where a water supplier is experiencing, or may experience, a serious shortage of water for distribution. You may be more familiar with the previous terminology, 'hosepipe bans'.

Currently United Utilities is able to maintain unrestricted water supply for the typical British summer but if there was an extended period of dry weather, it is likely they would need to implement a TUB. Each year there is a 5% chance of this occurring.

**Moderator: Explain the order of events that leads to TUB being issued:**

1. Climate change. Warmer summers
2. Reservoir levels low
3. Customers asked to reduce water consumption voluntarily as a first measure
4. If not sufficient, the TUB would restrict use of hosepipes or sprinklers for watering private gardens and washing private cars (though likely still okay to water gardens with watering can and wash vehicles using bucket and sponge)

United Utilities is considering investing more in measures such as maximising water extraction for ground water supplies, moving water around its region through its pipe network and where necessary, by encouraging customers to use water more wisely. In this way, TUB resilience can be improved from a 5% chance of this occurring each year to a 2.5% chance.

For context, TUB resilience varies across the UK, with some suppliers giving a <1% chance of a TUB happening each year (Wessex Water and Bournemouth Water) while on the other end, some give a 10% chance of a TUB happening each year (Southern Water, Affinity Water, Sutton & East Surrey, South East Water). If United Utilities improved their TUB resilience to a 2.5% chance annually of a TUB occurring, they would be in the top 25% of performance across the country.

**STIM G**

- Initial thoughts on TUBs
- Were you aware that water companies have the power to introduce TUBs?
- Do you recall experiencing one before?
  - How was it communicated to you?
  - Did you have enough notice?
  - How did it affect you?

- How did your water usage change?
- **If a TUB was implemented, how would you feel about the plans to make the need for a TUB less likely by moving from a 5% to a 2.5% chance per year?**
  - **This would involve additional investment, meaning increased bills.**
    - **Would you be prepared to pay more for this?**
    - **What increase would you be prepared to pay? Probe starting at £1 extra per year, increasing by £1 each time, up to £8 extra per year**
- If a TUB was implemented, how would you want to be informed about it?
- If a TUB was implemented, should certain customers be exempted?
- If a TUB was implemented, would you expect compensation?
  - If so, how much?

### Wrap up and thank you (15 minutes)

Respondents to return to overall group session for final wrap up.

Each sub-group moderator summarise findings from the group

**Ask respondents to vote (via sli.do poll), which of the customer priorities should be United Utilities' top 3 strategic investment priorities.**

- Thank you very much for your time. To finish, I'd like to recap on the most important things that came out from today
- Do you value being consulted on United Utilities priorities? Or would you prefer these types of decisions are taken by United Utilities or "other experts" in isolation?
- Any final comments from respondents?
- Explain all incentives will be paid on together, approx. two weeks after the event.
- Please complete poll now for event feedback **POST LINK IN CHAT**